

August 23, 2016

The regular meeting of the Council of the City of Martinsville, Virginia was held on August 23, 2016, in Council Chambers, Municipal Building, at 7:30 PM with Mayor Danny Turner presiding. Council Members present included Danny Turner, Jennifer Bowles, Gene Teague, Mark Stroud, and Sharon Brooks Hodge. Staff present included City Manager Leon Towarnicki, Assistant City Manager Wayne Knox, City Attorney Eric Monday, Clerk of Council Karen Roberts, Finance Director Linda Conover, Police Chief Sean Dunn, and Commissioner of Revenue Ruth Easley.

Mayor Turner called the meeting to order and advised Council would go into Closed Session beginning at 6:00 PM. In accordance with Section 2.1-344 (A) of the Code of Virginia (1950, and as amended) and upon a motion by Council Member Hodge, seconded by Council Member Stroud, with the following 5-0 recorded vote: Council Member Hodge, aye; Council Member Teague, aye; Vice Mayor Bowles, aye; Council Member Stroud, aye; and Mayor Turner, aye. Council convened in Closed Session to discuss the following matters: (A) appointments to Boards and Commissions as authorized by Subsection 1 and (B) consultation with legal counsel and briefings by staff members, attorneys or consultants pertaining to actual or probably litigation, or other specific legal matters requiring the provision of legal advice by such counsel, as authorized by Subsection 7. Council returned to Chambers announcing that they would return to Closed Session at the end of the Council meeting to complete discussions.

Following the invocation by Vice Mayor Bowles and Pledge to the American Flag, Mayor Turner welcomed everyone to the meeting.


Consider approval of minutes from the August 9, 2016 Council Meeting – Teague made a motion to approve the minutes; motion was seconded by Bowles with a 5-0 Council vote in favor.

Recognize City Employees who are eligible for Service Awards – July 1 through September 30, 2016 - City Manager Towarnicki read the names of those employees receiving service recognition and thanked the Mayor and Vice Mayor for attending the Service Award ceremony on Monday.

SERVICE AWARD RECIPIENTS FIRST QUARTER - FISCAL YEAR 16-17 FOR THE PERIOD OF JULY 1 – SEPTEMBER 30, 2016			
NAME		DEPARTMENT	YEARS OF SERVICE
CHRIS	BOBLETT	POLICE DEPT	5
PAULA	BOWEN	COMMONWEALTH'S ATTORNEY	10
NANCY	SHERMAN	COMMONWEALTH'S ATTORNEY	10
DALE	DAVIS	FIRE DEPARTMENT	10
CHRIS	PENN	WATER CONSTRUCTION	10
WILLIAM	HANKINS	PARK MAINTENANCE	10
KEITH	HUDSON	FIRE DEPARTMENT	15
ROBIN	LEGUS	PURCHASING	15
KRIS	BRIDGES	INSPECTIONS	15
LAURA	HOPKINS	SHERIFF'S DEPARTMENT	20
PATTI	FARMER	CIRCUIT COURT JUDGE'S OFFICE	25
DAVID	FABINSKI	SEWER CONSTRUCTION	30
KAREN	MAYS	PURCHASING	35

August 23, 2016

Consider adoption of a resolution setting the allocation percentage for personal property tax relief for qualifying vehicles in the City of Martinsville for tax year 2016 – Commissioner of Revenue Ruth Easley stated this is an annual housekeeping measure and she requested that resolution be adopted by Council. The annual percentage allocation is capped per location and every year it will fluctuate as the fleet and assessment grows. Bowles confirmed for the citizens that this is not an allocation set by the city but by the Commonwealth. Bowles made a motion to adopt the resolution as presented, Hodge seconded the motion. Roll call vote of 5-0: Hodge, aye; Turner, aye; Stroud, aye; Teague, aye; and Bowles, aye.

<i>Council Members</i> Danny Turner, Mayor Jennifer Bowles, Vice-Mayor Sharon Brooks-Hodge Mark Stroud Gene Teague	 Martinsville <small>A CITY WITHOUT LIMITS</small>	<i>City Manager</i> Leon E. Towarnicki <i>City Attorney</i> Eric H. Monday <i>Clerk of Council</i> Karen Roberts
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RESOLUTION

SETTING THE ALLOCATION PERCENTAGE FOR PERSONAL PROPERTY TAX RELIEF IN THE CITY OF MARTINSVILLE FOR TAX YEAR 2016

WHEREAS, on December 13, 2005 by Ordinance 2005-8 the Martinsville City Council established a local program of tax relief that serves the best interests of its citizens regarding personal property tax on qualifying use vehicles, pursuant to modifications made by the General Assembly of Virginia to the Personal Property Tax Relief Act of 1998 (PPTRA); and

WHEREAS, the City's relief program requires the City Council to adopt an annual percentage of local tax relief for personal use vehicles valued between \$1,001 and the first \$20,000 that will fully exhaust the PPTRA relief funds provided to the City by the Commonwealth of Virginia; and

WHEREAS, the Commissioner of the Revenue has completed the annual assessment of motor vehicles with Martinsville tax situs for Tax Year 2016; and

WHEREAS, the Commissioner of the Revenue estimates that a percentage of relief of 52.17% applied to the first \$20,000 of assessed values for qualifying vehicles valued over \$1,000 will fully use all available state PPTRA relief allocated for tax year 2016,

NOW, THEREFORE BE IT RESOLVED by the Martinsville City Council that 52.17% shall be the percentage of relief to be applied to the first \$20,000 in value of each qualifying vehicle with an assessed value more than \$1,000 pursuant to and in accordance with provisions of Sec. 21-10 of the Martinsville City Code.

Adopted this 23rd day of August, 2016.

_____ Danny Turner, Mayor	_____ ATTEST: Clerk of Council
Danny Turner Jennifer Bowles Sharon Brooks-Hodge Mark C. Stroud, Sr. M. Gene Teague	VOTE _____ _____ _____ _____

55 West Church Street, P. O. Box 1112, Martinsville, VA 24114-1112 276-403-5180 Fax: 276-403-5280
www.martinsville-va.gov

Hear an update from the Martinsville-Henry County Economic Development Corporation – Mark Heath of the EDC updated Council on work and activities handled by the EDC including tourism, small business events and awards, research and marketing/recruiting as well as the unemployment rates for Martinsville and Henry County. The water slide at the Smith River Sports Complex was installed a little late in the season but the driving range has been popular with the community. Heath presented a PowerPoint presentation to Council regarding the CAFM training and internship opportunity, a 28-credit course taught over two semesters at Patrick Henry Community College. Bowles asked if the program could be offered through the schools as a dual enrollment option. Heath said that they had discussed this possibility as well as other options. Heath updated Council on the available lots and buildings at the Patriot Center as well as available lots at Commonwealth Crossing. Mayor Turner asked

August 23, 2016

about the comparison done by Blue Ridge Outdoor Magazine, Towarnicki said he had not heard an update this year. Heath said he would check with Jennifer Doss. Turner asked if I73 access would be a consideration for interested parties of the Patriot Center. Hodge asked about finding skilled employees for specific employers like Eastman Film. Heath said that the EDC is working to train those people needed in the specific skills that want to work. Turner asked what the issue is in finding qualified workers. Heath said it's a combination of factors and it's part of the EDC's effort to find employers willing to pay higher salaries to draw qualified workers. Bowles said it was good to see that unemployment rates are down and she thanked him for the Big Dipper waterslide and discounted rates. Bowles suggested a Snap Chat filter for promoting Martinsville tourism to millennials.

Hear finance report – Linda Conover explained the finance reports to Council explaining that numbers are not final until the annual audit process is complete. Hodge made a motion to approve the finance report as presented; Teague seconded the motion with all members voting in favor.

City of Martinsville Combined Balance Sheet FY16 - 06/30/16					
FUND	TOTAL ASSETS	LIABILITIES & RESERVES	CURRENT FUND BAL & CASH & EQUIV	JUNE 30, 2015 FUND BAL & CASH EQUIV	DIFFERENCE FROM FY15
GENERAL FUND	\$ 10,753,339	\$ (4,829,324)	\$ 5,924,014	\$ 7,851,460	\$ (1,927,446)
MEALS TAX	\$ 844,678	\$ -	\$ 844,678	\$ 825,849	\$ 18,829
SCHOOL CAFETERIA	\$ 1,183,343	\$ (35,978)	\$ 1,147,365	\$ 965,571	\$ 181,794
REFUSE COLLECTION FUND	\$ 5,328,983	\$ -	\$ 5,328,983	\$ 6,705,304	\$ (1,376,321)
TELECOMMUNICATIONS	\$ 78,605	\$ (137,859)	\$ (59,255)	\$ (355,914)	\$ 296,659
WATER FUND	\$ 3,500,697	\$ -	\$ 3,500,697	\$ 523,153	\$ 2,977,544
SEWER FUND	\$ 8,438,993	\$ -	\$ 8,438,993	\$ 333,165	\$ 8,105,828
ELECTRIC FUND	\$ 4,505,797	\$ -	\$ 4,505,797	\$ 1,981,702	\$ 2,524,095
CAPITAL RESERVE FUND	\$ 615,623	\$ (36,144)	\$ 579,478	\$ 697,465	\$ (117,987)
SCHOOL FUND	\$ 1,992,051	\$ (1,611,269)	\$ 380,782	\$ -	\$ 380,782
SCHOOL FEDERAL PROGRAMS	\$ 132,004	\$ (142,600)	\$ (10,597)	\$ (80,128)	\$ 69,532
CDBG FUND	\$ 169,400	\$ (169,018)	\$ 382	\$ (53,031)	\$ 53,413
HOUSING CHOICE	\$ 18,947	\$ -	\$ 18,947	\$ 53,122	\$ (34,175)
TOTAL	\$ 37,562,459	\$ (6,962,194)	\$ 30,600,265	\$ 19,447,718	\$ 11,152,547
RESERVED FUNDS					
INSURANCE TRUST FUND	\$ 465,476	\$ -	\$ 465,476	\$ 266,878	\$ 198,598
INMATE TRUST FUND	\$ 177,546	\$ -	\$ 177,546	\$ 135,469	\$ 42,077
Fiduciary Agency Funds:					
05-SVRFA	\$ 18,167	\$ (19,554)	\$ (1,387)	\$ 8,442	\$ (9,829)
06-Dan River ASAP	\$ 420,704	\$ (210,998)	\$ 209,706	\$ 247,366	\$ (37,660)
15-PRCITA	\$ 340,947	\$ (6,132)	\$ 334,815	\$ 430,279	\$ (95,464)
30-BRRL	\$ 253,198	\$ (33,564)	\$ 219,633	\$ 89,923	\$ 129,710
TOTALS:	\$ 1,033,015	\$ (270,248)	\$ 762,767	\$ 776,010	\$ (13,244)

August 23, 2016

City of Martinsville					
Consolidated Revenues and Expenditures					
	FY16 - June 30, 2016 (preliminary - as of 8/12/16)				
	Budget	Anticipated	Actual YTD	Remaining Balance	Difference Ant vs. Actual
General Fund					
Revenues	\$ 30,904,389	\$ 31,016,761	\$ 30,852,961	\$ 51,428	99.5%
Expenditures	\$ 34,667,728	\$ 33,693,461	\$ 32,459,479	\$ 2,208,249	96.3%
Excess (deficiency) of revenues over expenditures	\$ (3,763,339)	\$ (2,676,700)	\$ (1,606,518)		
(Fund Bal contrib)					
Capital Funds					
Revenues	\$ 2,066,792	\$ 2,078,373	\$ 2,085,621	\$ (18,829)	100.3%
Expenditures	\$ 2,066,792	\$ 2,066,792	\$ 2,066,792	\$ 0	100.0%
Excess (deficiency) of revenues over expenditures	\$ -	\$ 11,581	\$ 18,829		
Capital Reserve					
Revenues	\$ 1,427,214	\$ 1,200,649	\$ 1,200,649	\$ 226,565	100.0%
Expenditures	\$ 2,025,417	\$ 1,742,841	\$ 1,318,635	\$ 706,782	75.7%
Excess (deficiency) of revenues over expenditures	\$ (598,203)	\$ (542,192)	\$ (117,986)		
TOTAL CAPITAL FUNDS:	\$ (598,203)	\$ (530,611)	\$ (39,157)		
(Fund Bal contrib)					
Refuse Fund					
Revenues	\$ 2,223,000	\$ 2,200,936	\$ 2,216,672	\$ 12,328	100.7%
Expenditures	\$ 4,457,315	\$ 4,075,714	\$ 3,582,835	\$ 894,490	87.4%
Excess (deficiency) of revenues over expenditures	\$ (2,228,315)	\$ (1,874,778)	\$ (1,346,164)		
MINet/Fiber Optic Fund					
Revenues	\$ 1,617,343	\$ 1,310,505	\$ 1,599,974	\$ 17,369	122.1%
Expenditures	\$ 1,316,388	\$ 1,220,694	\$ 1,303,314	\$ 19,074	106.6%
Excess (deficiency) of revenues over expenditures	\$ 300,955	\$ 89,811	\$ 296,660		
Water Fund					
Revenues	\$ 3,305,000	\$ 3,323,767	\$ 3,265,843	\$ 39,157	98.3%
Expenditures	\$ 3,755,000	\$ 2,036,902	\$ 2,093,063	\$ 1,661,917	95.8%
Excess (deficiency) of revenues over expenditures	\$ (450,000)	\$ 1,224,865	\$ 1,172,760		
Sewer Fund					
Revenues	\$ 4,027,512	\$ 4,095,149	\$ 4,243,212	\$ (215,700)	103.6%
Expenditures	\$ 4,327,512	\$ 3,622,592	\$ 3,468,788	\$ 858,724	95.8%
Excess (deficiency) of revenues over expenditures	\$ (300,000)	\$ 472,557	\$ 774,424		
Electric Fund					
Revenues	\$ 18,808,905	\$ 18,299,879	\$ 17,685,813	\$ 1,123,092	96.6%
Expenditures	\$ 21,525,621	\$ 21,436,476	\$ 20,000,735	\$ 1,525,086	93.3%
Excess (deficiency) of revenues over expenditures	\$ (2,716,716)	\$ (3,136,597)	\$ (2,314,922)		
TOTAL UTILITY FUNDS:	\$ (5,695,231)	\$ (3,313,953)	\$ (1,713,902)		
(Fund Bal contrib)					

Consolidated Revenues and Expenditures					
	FY16 - June 30, 2016 (preliminary - as of 8/12/16)				
	Budget	Anticipated	Actual YTD	Remaining Balance	Difference Budy vs. Actual
Caleteria					
Revenues	\$ 1,398,363	\$ 1,702,356	\$ 1,702,356	\$ (303,973)	121.7%
Expenditures	\$ 1,486,358	\$ 1,390,935	\$ 1,390,935	\$ 295,363	80.1%
Excess (deficiency) of revenues over expenditures	\$ (87,975)	\$ 311,421	\$ 311,421		
Schools					
Revenues	\$ 23,211,203	\$ 22,548,619	\$ 22,548,619	\$ 662,584	97.1%
Expenditures	\$ 23,269,619	\$ 16,875,197	\$ 16,875,197	\$ 6,394,622	72.5%
Excess (deficiency) of revenues over expenditures	\$ (58,416)	\$ 5,673,422	\$ 5,673,422		
Federal Programs					
Revenues	\$ 2,319,890	\$ 2,223,937	\$ 2,223,937	\$ 95,953	95.9%
Expenditures	\$ 2,319,890	\$ 1,669,896	\$ 1,669,896	\$ 649,994	72.0%
Excess (deficiency) of revenues over expenditures	\$ -	\$ 554,041	\$ 554,041		
TOTAL SCHOOL FUNDS:	\$ (146,531)	\$ -	\$ 6,736,823		
(fund bal contrib)					
Special Revenue Funds					
CRBG Fund					
Revenues	\$ 619,000	\$ 887,508	\$ 887,508	\$ (268,508)	143.4%
Expenditures	\$ 1,537,572	\$ 747,497	\$ 747,497	\$ 790,075	48.6%
Excess (deficiency) of revenues over expenditures	\$ (918,572)	\$ 140,011	\$ 140,011		
Housing Choice Fund					
Revenues	\$ -	\$ 2,952	\$ 2,952	\$ (2,952)	
Expenditures	\$ 5,348	\$ 37,129	\$ 37,129	\$ (31,781)	694.3%
Excess (deficiency) of revenues over expenditures	\$ (5,348)	\$ (34,177)	\$ (34,177)		
TOTAL SPECIAL REVENUE FL	\$ (923,920)	\$ 105,834	\$ 105,834		
GRAND TOTALS:					
(excluding Schools & Special Revenues)					
Revenues:	\$ 64,386,155	\$ 63,526,019	\$ 63,150,745	\$ 1,235,410	99.4%
Expenditures:	\$ 74,141,973	\$ 69,957,472	\$ 66,273,662	\$ 7,868,311	94.7%
Excess (deficiency) of revenues over	\$ (9,755,818)	\$ (6,431,453)	\$ (3,122,917)		
Local Sales/Use Taxes	\$ 1,900,000	\$ 2,000,000	\$ 2,033,632	\$ (133,632)	101.7%
Meals Taxes	\$ 1,700,000	\$ 1,710,000	\$ 1,717,248	\$ (17,248)	100.4%
The Budgeted Revenue amounts do not include any contributions from Fund Balance.					

Consider approval of consent agenda – Teague made a motion to approve the consent agenda as presented; Bowles seconded the motion with all members voting in favor.

BUDGET ADDITIONS FOR 08/23/16				
ORG	OBJECT	DESCRIPTION	DEBIT	CREDIT
FY16				
General Fund:				
01102926	405555	Federal Categorical - Brownfields Grant - EPA		4,128
01812247	503136	Brownfields - Professional Services - Consultant	4,128	
01102925	436102	Non-categorical Federal - Byrne Grant - Sheriff		3,850
01217078	506011	Sheriff Courts - Uniforms & Apparel	3,080	
01331108	506011	Sheriff Corrections - Uniforms & Apparel	770	
		Vest program		
Total General Fund:			7,978	7,978
Telecommunications Fund:				
11100906	461715	Services - Set-up Fees		30,725
11315308	503310	Professional Services - Repairs & Maintenance	30,725	
		Project Reimbursement		
Total Telecommunications Fund:			30,725	30,725

BUDGET ADDITIONS FOR 08/23/2016				
ORG	OBJECT	DESCRIPTION	DEBIT	CREDIT
FY17				
General Fund:				
01100909	490137	Recovered Costs - Public Safety		4,209
01331108	501200	Sheriff/Corrections - Overtime	3,715	
01331108	502100	Sheriff/Corrections - Social Security	230	
01331108	502110	Sheriff/Corrections - Medicare	54	
01311085	501200	Police Department - Overtime	195	
01311085	502100	Police Department - Social Security	12	
01311085	502110	Police Department - Medicare	3	
		Off Duty Security reimbursements		
1100908	480406	Miscellaneous Revenues - Donations/Recreation		100
1711210	506007	Recreation - Equipment & Supplies	100	
		Team Sponsor donations		
Total General Fund:			4,309	4,309
Sewer Fund:				
13103936	407700	Indebtedness - VRA Loan Proceeds		210,865
13551326	508224	Wastewater Maintenance - SRI Project - Phys. Plant Exp	210,865	
		VRA Reimbursement #4		
Total Sewer Fund:			210,865	210,865
Telecommunications Fund:				
11100909	490104	Advance/Recovered Costs		47,650
11315308	503136	Professional Service - Consultant	10,640	
11315308	508220	Physical Plant Expansion	37,010	
		Project Reimbursement		
Total Telecommunications Fund:			47,650	47,650

Comments by members of City Council – Council Member Stroud announced the arrival of his first granddaughter Ember Noelle Stroud and said mother and baby are both doing well. Teague requested an update from New College Institute. Bowles congratulated two new businesses for having their grand opening and invited the public to an event being held at Osborne Baptist Church. Stroud said he would be having surgery on his hip but plans to be at the next Council meeting.

August 23, 2016

Comments by City Manager – Towarnicki announced the Dental Clinic would be celebrating their 10th year anniversary. He stated that Martinsville does not have an employment problem, it's more of a participation problem, explaining there are several jobs available that pay well but the participation at the job fairs are very low. He questions how to get people in the community interested in participating in the programs to train for skilled positions.

Business from the Floor (not televised) – Patrick H. Wright, 1201 Spruce Village said Radar Bus drivers had expressed concern about City roads needing repair. Ural Harris, 217 Stewart St requests an update on the medical school. Turner explained that it is an ongoing negotiation and the City is looking out for the taxpayers.

There being no further business, Council returned to Closed Session at 8:33pm.

At the conclusion of Closed Session, each returning member of Council certified that (1) only public business matters exempt from open meeting requirements were discussed in said Closed Session; and (2) only those business matters identified in the motion convening the Closed Session were heard, discussed, or considered during the Session. A motion was made by Council Member Hodge, seconded by Vice Mayor Bowles, with the following 5-0 recorded vote in favor to return to Open Session: Hodge, aye; Turner, aye; Teague, aye; Bowles, aye; and Stroud, aye.

A motion was made by Mayor Turner to appoint Artis Law to the School Board; Council Member Hodge seconded the motion. Motion failed with a 2-3 vote. Turner, aye; Hodge, aye, Bowles, nay; Teague, nay; and Stroud, nay.

A motion was made by Vice Mayor Bowles to appoint Donna Dillard to the School Board; Council Member Stroud seconded the motion. All members approved the motion.

A motion was made by Council Member Hodge to adjourn the meeting, seconded by Vice Mayor Bowles with all Council Members voting in favor. The meeting adjourned at 10:15pm.

Karen Roberts
Clerk of Council

Danny Turner
Mayor